

1 TIMOTHY S. LAFFREDI (WI 1055133)

2 Assistant United States Trustee

3 TERRI H. DIDION (SBN 133491)

4 Trial Attorney

JARED A. DAY (SBN 275687)

5 Trial Attorney

United States Department of Justice

6 Office of the U.S. Trustee

450 Golden Gate Ave., Rm 5-0153

San Francisco, CA 94102

7 Telephone: (415) 705-3300

8 Facsimile: (415) 705-3367

E-mail: jared.a.day@usdoj.gov

9 Attorneys for the United States Trustee for Region 17

10 TRACY HOPE DAVIS

11 UNITED STATES BANKRUPTCY COURT

12 NORTHERN DISTRICT OF CALIFORNIA

13 SAN FRANCISCO DIVISION

14 In re:

15 FLOYD E. SQUIRES, III and
16 BETTY J. SQUIRES,

17 Debtors.

Case No: 17-10828-WJL

Chapter 11

Date: Ex Parte; OST Requested

Time: Ex Parte; OST Requested

18 **EX PARTE MOTION FOR ORDER SHORTENING TIME FOR HEARING ON**
19 **UNITED STATES TRUSTEE'S MOTION TO DISMISS OR CONVERT**
20 **UNDER 11 U.S.C. § 1112(b)**

21 To the Honorable William J. Lafferty, United States Bankruptcy Judge:

22 Tracy Hope Davis, United States Trustee for Region 17 ("United States Trustee"), by and
23 through her undersigned counsel, filed a *Motion to Dismiss or Convert Case to Chapter 7 Under*
24 *11 U.S.C. § 1112(b)* on February 20, 2018 ("Motion"). [ECF No. 102]. The United States
25 Trustee now submits this Ex Parte Motion requesting that the Court enter an order shortening
26 time for hearing the aforementioned Motion on the same date and time as other matters
27 scheduled for hearing in this case on February 28, 2018 at 10:30 a.m. ("Ex Parte Motion").
28

1 This Ex Parte Motion is made and based upon Federal Rule of Bankruptcy Procedure
2 (“FRBP”) 9006, Bankruptcy Local Rule (“BLR”) 9006-1, 11 U.S.C. § 105(a), the following
3 memorandum of points and authorities inclusive of the Declaration of Jared A. Day, Trial
4 Attorney for the United States Trustee (“Day Declaration”), filed concurrently herewith, and
5 the papers and pleadings on file with the Court.
6

7 **I. BACKGROUND FACTS**

8 1. On November 8, 2017, Debtors Floyd E. Squires, III and Betty J. Squires
9 (“Debtors”) filed a voluntary chapter 11 bankruptcy petition (“Petition”). [ECF No. 1].

10 2. Debtors filed their initial Schedules and Statements on December 1, 2017. [ECF
11 Nos. 24 - 27].

12 3. On Schedule A, Debtors listed an interest in 34 separate parcels of real property
13 primarily located in Eureka, California with a scheduled value of \$18,445,110. [ECF. No 24].

14 4. Debtors are required to supply the United States Trustee with certain documents
15 including proof of insurance for estate assets as prescribed by 11 U.S.C. § 1112(b)(4)(C) and the
16 United States Trustee Guidelines for Chapter 11 cases.
17

18 5. Despite at least three separate requests from the United States Trustee, Debtors
19 have not provided proof of insurance coverage for approximately 15 of the real properties
20 reflected on their Schedule A. [See ECF No. 102, Motion, Finneran Declaration].
21

22 6. Without adequate insurance, the estate and the public are exposed to significant
23 risk. Further, creditors may be harmed due to a lack of insurance coverage.
24

25 **II. MEMORANDUM OF POINT OF AUTHORITIES**

26 7. Bankruptcy Rule 9006(c)(1) generally permits a bankruptcy court, for cause
27 shown and in its discretion, to reduce the period during which any notice is given in accordance
28 with the FRBP.

1 8. According to BLR 9006-1(c), a request to shorten time may be made by motion
2 on at least 72 hours' notice to the respondent absent exigent circumstances. Further, the request
3 must be accompanied by a declaration stating 1) the reason for the particular shortening of time
4 request; 2) previous time modifications related to the subject of the request, whether by
5 stipulation or Court order; 3) the effect of the requested time modification on the schedule for the
6 case or proceeding; and 4) where the request is not made by stipulation, the efforts made to speak
7 with the respondent and, if the movant has spoken with the respondent, the reasons given for any
8 refusal to agree to the request.
9

10 9. Section 105(a) of the Bankruptcy Code allows the Court to issue such orders as
11 are necessary to carry out the provisions of the Bankruptcy Code. *See* 11 U.S.C. § 105(a).
12

13 10. Failure to maintain appropriate insurance coverage that poses a risk to the estate
14 or to the public constitutes cause for dismissal or conversion under 11 U.S.C. § 1112(b)(4)(C)
15 and cause for a hearing on the matter on shortened time in this case. Day Declaration filed
16 concurrently herewith.

17 11. No previous time modifications related to the United States Trustee's Motion
18 have been made in this case. Id.
19

20 12. On February 20, 2018, the undersigned Trial Attorney for the United States
21 Trustee, Jared A. Day, contacted, inter alia, counsel for the Debtors and counsel for the City of
22 Eureka to determine whether they are in agreement with the Motion being heard on shortened
23 time. Id. A response has not been received by the United States Trustee as of the time of the
24 filing of this Ex Parte Motion. Id.
25

26 **III. CONCLUSION**

27 Based upon the foregoing, the United States Trustee requests that the Court enter an
28 order allowing for her Motion to Dismiss or Convert Case to be heard on February 28, 2018 at

1 10:30 a.m. or as soon as convenient for the Court and for such other and further relief as is just
2 under the circumstances.
3

4 Dated: February 21, 2018

Respectfully Submitted,

5 TRACY HOPE DAVIS
6 UNITED STATES TRUSTEE

7 By: /s/ Jared A. Day
8 JARED A. DAY
9 Trial Attorney for the United States Trustee
300 Booth Street, #3009
10 Reno NV 89509
(775) 784-5335x109
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